



State of Arizona
Department of Education

Tom Horne
Superintendent of
Public Instruction

FD 12-06

MEMORANDUM

TO: Food Distribution Directors

FROM: Tina Herzog, FD Program Director
Health and Nutrition Services

DATE: December 7, 2005

SUBJECT: Reduction of Administrative Fees

After analyzing the Child Nutrition Program budget for SY 05-06, it was determined that the Administrative Fee can be reduced for this year in an effort to help alleviate some of the costs to the schools. A 10¢ reduction will be in effect beginning January 1, 2006 through June 30, 2006. The current administration fee is 25¢ per case. On January 1st it will be 15¢ per case. Most of you will see this reduction in a reduced delivery fee from the warehouse, as follows:

<i>Prep Site</i>	Reduced from \$3.20 per case to \$3.10 per case (10 case minimum < 250 ADP) (20 case minimum > 251 ADP)
<i>Warehouse</i>	Reduced from \$3.05 per case to \$2.95 per case (100 case minimum, exchangeable pallets & forklift required)
<i>Pick Up</i>	Reduced from \$2.24 per case to \$2.14 per case (100 case minimum, exchangeable pallets & refrigerated truck required)

Each year we will re-evaluate the fees to see if we can continue to support this reduction beyond school year 2005-2006. If you have any questions about this, please feel free to contact me at (602) 542-8781.